

House File 282 - Introduced

HOUSE FILE 282

BY ANDERSON

A BILL FOR

1 An Act providing for an increase in the state minimum hourly
2 wage and subsequent increases by the same percentage as the
3 increase in the midwest consumer price index and increasing
4 the tip threshold for the state minimum hourly wage for
5 tipped employees.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 91D.1, subsection 1, paragraphs a, c, and
2 d, Code 2017, are amended to read as follows:

3 a. (1) The state hourly wage shall be at least ~~\$6.20 as~~
4 ~~of April 1, 2007, and \$7.25 as of January 1, 2008~~ \$8.75 as of
5 July 1, 2017, \$10.50 as of July 1, 2018, and \$12.00 as of July
6 1, 2019.

7 (2) The state hourly wage, including the state hourly wage
8 for the first ninety calendar days of employment provided in
9 paragraph "d", shall be increased annually on July 1, beginning
10 July 1, 2020, by the same percentage as the increase in the
11 consumer price index for all urban consumers for the midwest
12 region for the previous calendar year, if any, as determined
13 by the United States department of labor, bureau of labor
14 statistics, or a successor index. In no case shall the state
15 hourly wage, including the state hourly wage for the first
16 ninety calendar days of employment provided in paragraph "d", be
17 decreased pursuant to this subparagraph.

18 c. For purposes of determining whether an employee of a
19 restaurant, hotel, motel, inn, or cabin, who customarily and
20 regularly receives more than ~~thirty~~ fifty dollars a month in
21 tips is receiving the minimum hourly wage rate prescribed by
22 this section, the amount paid the employee by the employer
23 shall be deemed to be increased on account of the tips by an
24 amount determined by the employer, not to exceed forty percent
25 of the applicable minimum wage. An employee may file a written
26 appeal with the labor commissioner if the amount of tips
27 received by the employee is less than the amount determined by
28 the employer under this subsection.

29 d. An employer is not required to pay an employee the
30 applicable state hourly wage provided in paragraph "a" until the
31 employee has completed ninety calendar days of employment with
32 the employer. An employee who has completed ninety calendar
33 days of employment with the employer ~~prior to April 1, 2007, or~~
34 ~~January 1, 2008,~~ shall earn the applicable state hourly minimum
35 wage as of that the date of completion. An employer shall

1 pay an employee who has not completed ninety calendar days of
 2 employment with the employer an hourly wage of at least ~~\$5.30~~
 3 ~~as of April 1, 2007, and \$6.35 as of January 1, 2008~~ \$7.50 as of
 4 July 1, 2017, \$8.50 as of July 1, 2018, and \$10.00 as of July
 5 1, 2019.

EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
 8 the explanation's substance by the members of the general assembly.

9 This bill increases the state minimum hourly wage to \$8.75
 10 as of July 1, 2017, \$10.50 as of July 1, 2018, and \$12.00 as
 11 of July 1, 2019. The bill increases the state minimum hourly
 12 wage for employees employed for less than 90 days to \$7.50 as
 13 of July 1, 2017, \$8.50 as of July 1, 2018, and \$10.00 as of July
 14 1, 2019.

15 The bill increases from \$30 to \$50 the amount of money an
 16 employee of a restaurant, hotel, motel, inn, or cabin must
 17 receive in tips in order to be covered by the state minimum
 18 wage for tipped employees. If an employee is covered by the
 19 state minimum wage for tipped employees, 40 percent of the
 20 state minimum wage for the employee may be considered to be
 21 received by tips. The remainder of the minimum wage must be
 22 paid by the employer.

23 The bill also increases the state minimum hourly wage,
 24 including the minimum hourly wage established for employees
 25 employed for less than 90 days, annually on July 1, beginning
 26 July 1, 2020, by the same percentage as the increase in the
 27 consumer price index for all urban consumers for the midwest
 28 region for the previous calendar year, if any, as determined
 29 by the United States department of labor, bureau of labor
 30 statistics, or a successor index. In no case shall the state
 31 hourly wage, including the state hourly wage for the first 90
 32 calendar days of employment, be decreased pursuant to this
 33 provision.